



Federal Employees' Group Life Insurance Program
Continuation of Life Insurance Coverage
As a Retiree or Compensation

Instructions for Completing SF 2818

- | **Complete this form if you will be retiring or receiving compensation, and you wish to continue your FEGLI Basic Life Insurance coverage (or if you elected a FULL Living Benefit and you will be continuing your FEGLI optional insurance coverage.)**
 - | **Read the first three pages of instructions carefully.**
 - | **Fill out sections A, B and C on the last page.**
 - | **Type or print in ink.**
 - | **Detach and keep the first three pages for your records.**
 - | **Return the completed last page (both copies) to your employing office. Your employing office will return Copy 2 to you.**
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If you wish to cancel **all** life insurance coverage at this time, you must complete the appropriate sections of Standard Form 2817 and submit the form to your employing agency. (If you have assigned your insurance, however, you cannot cancel your life insurance coverage.) The cancellation of coverage will be effective at the end of the pay period in which your agency receives the form. You will not be able to re-enroll in the life insurance program as a retiree or compensation.

If you do not make an election before your retirement claim is finalized (or your request to continue insurance during receipt of compensation is finalized), the 75% Reduction will be applied to your Basic Life Insurance. You will have no later opportunity to choose a lesser reduction in coverage.

If you elected a FULL Living Benefit, you no longer have any Basic benefits; therefore, there is no Basic to continue into retirement. You should not complete Part B. However, you must still complete Part C.

If you elected a PARTIAL Living Benefit, your remaining Basic Insurance Amount will remain the same as it was after your Living Benefit election. You must pay the applicable premium for No Reduction -- you do not have a choice. You may not change this reduction to the 50% or 75% Reduction at a later date. You must sign block 3 in Part B - I want No Reduction. Please remember to complete Part C as well.

Privacy Act Statement

Public Law 96-427, the Federal Employees' Group Life Insurance Act of 1980, authorizes the solicitation of this information. The data you furnish will be used to determine the amount of life insurance coverage you will have after retirement. This information may be shared and is subject to verification, via paper, electronic media, or through the use of computer matching programs, with national, state, local or other charitable or social security administrative agencies in order to determine benefits under their programs or to obtain information necessary for determination

or continuation of benefits under this program. It may also be shared and verified, as noted above, with law enforcement agencies when they are investigating a violation or potential violation of the civil or criminal law. Executive Order 9397 (November 22, 1943) authorizes use of the social security number to distinguish between you and people with similar names. Furnishing your social security number, as well as other data, is voluntary, but failure to do so may result in the inability of your retirement system to provide you the level of insurance protection you want.

Continuation of Basic Coverage

If You Are Retiring

Your Basic Life Insurance coverage will continue automatically when you retire if: (1) you retire on an immediate annuity, (2) you had been insured for Basic Life or "Regular insurance" coverage for the last 5 years immediately preceding the commencing date of your annuity (or from your earliest opportunity to enroll, if covered less than 5 years), (3) neither you, nor the assignee(s), if applicable, converted your insurance to a private policy, and (4) you did not elect a full Living Benefit.

The amount of your Basic Life Insurance coverage depends on your basic pay, your age, the level of protection you want to retain after you reach age 65 (or retire, if later), and whether you elected a Living Benefit. Generally, your Basic Insurance Amount (BIA), which is your final annual basic pay, rounded up to the next exact thousand, plus \$2,000, continues until you reach age 65, subject to the Age Multiplication Factor shown on the right. Your BIA reduces after you are retired and are age 65, unless you have elected No Reduction.

Note: If you assigned your life insurance coverage to more than one assignee, it is possible that some, but not all, of the assignees will choose to convert their portion of your coverage. You may only continue into retirement that portion which you are eligible to continue and which is **not** converted.

Note: If you elected a **partial** Living Benefit, and are eligible to continue this coverage, the remaining portion of your BIA will remain constant. You must elect and pay for No Reduction.

At the time you retire, you may elect the level of Basic coverage you want to have after reaching age 65 (see the Retirement Election for Basic Life Insurance table below). The amount you pay for your Basic Life Insurance coverage depends on the level of protection you elect. (**Note:** The amount of coverage does not begin to reduce until the beginning of the second calendar month after the month in which you reach age 65.) Accidental Death and Dismemberment coverage terminates at retirement.

If you are eligible, and continue Basic Life Insurance coverage into retirement, you must pay the same premium as active employees until you reach age 65. If you elect the 50% Reduction (election 2 below) or the No Reduction (election 3 below) you must not only pay the regular insurance premium, but also the additional premium required to pay for the coverage you will have after age 65.

The election of the 50% Reduction (election 2 below) or No Reduction (election 3 below) must be made at the time you retire. The withholdings for this coverage after age 65 **begin at retirement and continue** for life or until the election is changed or

coverage is otherwise discontinued. If you, or the assignee(s), if applicable, change your election to the 75% Reduction, the amount of your life insurance will be computed as if you had originally elected that level of coverage. You will not be entitled to a refund of the withholdings already paid.

You may cancel Basic Life Insurance coverage at any time (unless you have assigned your insurance). Cancellation of Basic will automatically cancel any optional coverages. The cancellation will be effective at the end of the month in which your retirement system receives your cancellation election. Premiums you have paid through that month cannot be refunded to you. A cancellation of coverage is irrevocable. You may not later re-enroll in the FEGLI Program.

If You Are Receiving Workers' Compensation

At the end of 12 months of leave without pay, your FEGLI insurance will either terminate or be continued for you as a compensationner. The 12 months may be continuous or broken by periods of less than 4 consecutive months of pay status. If you are receiving benefits from the Office of Workers' Compensation Programs (OWCP), your Basic Life Insurance may be continued if you have had it for the 5 years of service immediately preceding the entitlement of compensation (or the full periods of service during which you were eligible for FEGLI, if you had it less than 5 years).

If you are eligible to continue your coverage as a compensationner, your FEGLI coverage will be subject to the same reductions and withholdings as if you were retired.

Extra Benefit for Under Age 65

The amount of Basic Life Insurance coverage for annuitants and compensationners under age 45 will be determined by multiplying the Basic Insurance Amount by a factor based on the age of the annuitant or compensationner as shown below. This extra coverage is provided at no cost to you.

Age	Factor	Age	Factor
35 or under.....	2.0	40.....	1.5
36.....	1.9	41.....	1.4
37.....	1.8	42.....	1.3
38.....	1.7	43.....	1.2
39.....	1.6	44.....	1.1
		45 or over.....	1.0

Retirement Election For Basic Life Insurance	Monthly Cost Per \$1,000 of BIA*		
	Before You Reach Age 65** You Pay the TOTAL of BOTH the premiums listed below		After You Reach Age 65
	Premium for Basic	Premium for 50% or No Reduction Schedule	
1. 75% REDUCTION - reduces 2% per month after reaching age 65, to a minimum of 25% of the amount at retirement.	\$.3575 per \$1,000	Nothing	Nothing
2. 50% REDUCTION - reduces 1% per month after reaching age 65, to a minimum of 50% of the amount at retirement.	\$.3575 per \$1,000	\$.52 per \$1,000	\$.52 per \$1,000
3. NO REDUCTION - 100% of the amount of Basic Life Insurance coverage is retained after reaching age 65.	\$.3575 per \$1,000	\$ 1.69 per \$1,000	\$ 1.69 per \$1,000
* BIA - Your final annual basic pay, rounded up to the next exact \$1,000, plus \$2,000 (or the post-election BIA determined after your election of a partial Living Benefit).			
** Retirees pay the same premium as active employees (\$.3575 per \$1,000) for coverage between retirement and age 65. Those who elect at retirement to retain higher levels of coverage after reaching age 65 must pay an additional premium throughout their retirement. Thus, a retiree who elects the 50% Reduction will pay \$.8775 per \$1,000 (.3575 + .52 = .8775) until reaching age 65. Similarly, a retiree who elects No Reduction will pay \$2.0475 per \$1,000 (.3575 + 1.69 = 2.0475) until reaching age 65.			
Note: Premiums for compensationners are computed on a 4-week basis and will be slightly less.			

Continuation of Optional Coverage

If You Are Retiring

Note: If you assigned your life insurance coverage to more than one assignee, it is possible that some, but not all, of the assignees will choose to convert their portion of your coverage. You may continue into retirement only that portion which you are eligible to continue and which is **not** converted.

Option A---Standard

Your Option A---Standard life insurance (normally \$10,000 coverage) will automatically be continued into retirement if (1) you continue your Basic Life into retirement (employees who elected a full Living Benefit are exempt from this requirement), (2) you were enrolled in Option A for the last 5 years of service immediately before the commencing date of your annuity or for all of your service during which this option was available to you, if less than 5 years, (3) you or the assignee(s), if applicable, do(es) not convert it to an individual policy, and (4) you or the assignee(s), if applicable, do(es) not decline coverage. Accidental Death and Dismemberment benefits terminate at retirement.

Effective at the beginning of the second calendar month after the month in which you reach age 65 or retire, whichever is later, your Option A --- Standard insurance will be reduced by 2% per month until it reaches 25% of its original face value.

Withholdings from your annuity will continue until you reach age 65. No further withholdings are made after you are age 65 and retired.

Option B---Additional

Your Option B---Additional life insurance will automatically be continued into retirement if (1) you continue your Basic Life into retirement (employees who elected a full Living Benefit are exempt from this requirement), (2) you were enrolled in Option B for the last 5 years of service immediately before the commencing date of your annuity or for all of your service during which this option was available to you, if less than 5 years, (3) you or the assignee(s), if applicable, do(es) not convert it to an individual policy, and (4) you or the assignee(s), if applicable, do(es) not decline coverage.

The amount of your Option B---Additional coverage will be the amount of your annual basic pay at retirement, rounded up to the next exact \$1,000 multiplied by the lowest multiple in effect for:

- a. the full period of service during which the Option B---Additional coverage was available to you, if covered less than 5 years, or
- b. the 5 years of service immediately preceding the commencing date of your annuity.

Effective at the beginning of the second calendar month after the month in which you reach age 65 or retire, whichever is later, your Option B --- Additional insurance will be reduced by 2% per month for 50 months, at which time coverage will end.

Withholdings from your annuity will continue until you reach age 65. No further withholdings are made after you are age 65 and retired.

Option C---Family

Your Option C---Family insurance will automatically be continued into retirement if (1) you continue your Basic Life into retirement, (2) you were enrolled in Option C for the last 5 years of service immediately before the commencing date of your annuity or for all of your service during which this option was available to you, if less than 5 years, (3) you do not convert it to an individual policy, and (4) you do not decline coverage.

Effective at the beginning of the second calendar month after the month in which you reach age 65 or retire, whichever is later, your Option C --- Family insurance will be reduced by 2% per month for 50 months, at which time coverage will end.

Withholdings from your annuity will continue until you reach age 65. No further withholdings are made after you are age 65 and retired.

If You Are Receiving Workers' Compensation

The requirements for continuing any optional insurance you may have are the same as those for retiring employees (except that in place of the commencing date of your annuity, we use the date on which you first became entitled to compensation). The full cost of optional insurance will be withheld from your compensation checks until you reach age 65.

The amounts of Option A---Standard and Option C---Family insurance are the same as for retiring employees. The amount of your Option B---Additional insurance is based on your annual basic pay rate at the time your insurance as an employee would otherwise terminate (generally, at the end of 12 months of continuous leave without pay). Any optional insurance you cancel while receiving compensation cannot be reinstated.

You or the assignee(s), if applicable, have(has) the opportunity to convert all or a portion of the insurance coverage(s) you were carrying to an individual direct-pay conversion policy. If you or the assignee(s), if applicable, do(es) not convert and you are otherwise eligible to continue your coverage as a compensationner, your FEGLI coverage will be subject to the same reductions and withholdings as if you were retired.

Changing the Amount of Optional Insurance as a Retiree or Compensationner

You may reduce or cancel optional coverage at any time (unless you have assigned your insurance), but you may not increase it as a retiree or compensationner. The reduction or cancellation will be effective at the end of the month in which your retirement system or the Office of Workers' Compensation (OWCP) receives your election. Premiums you have paid through that month cannot be refunded to you. For more information, contact your retirement system or OWCP.

See RI 76-21 (RI 76-20 for Postal employees) for complete information about the Federal Employees' Group Life Insurance Program (including information regarding the cost of optional insurance).



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As a Retiree or Compensationeer

A Fill in the Identifying Information Requested Below

Name (Last, first, middle)	Date of birth (Month/day/year)	Social security number
Employing department or agency	Agency location (City, state, ZIP Code)	Compensation claim number (if applicable)

B Basic Life Insurance Coverage (Read and sign below)

If you are eligible, your Basic Life Insurance will continue automatically -- generally at the same level of coverage in force at retirement -- until age 65. By signing below, you are choosing the amount of Basic Life Insurance coverage you will have **after** you reach age 65. (If you are already 65 or older and choose the 75% Reduction or the 50% Reduction, the elected reduction will begin at retirement). Your signature **does not** affect your optional life insurance coverage. See Section C.

Before electing the level of coverage you will have after age 65, be sure to review the detailed information provided on pages 1-3. The premiums associated with the different levels of coverage are shown in a table at the bottom of page 2.

SIGN AND DATE ONLY ONE OF THE BOXES BELOW. (DO NOT SIGN MORE THAN ONE.) THEN CROSS OUT THE OTHER TWO BOXES.

1 I want the 75% REDUCTION (Minimum coverage)	2 I want the 50% REDUCTION	3 I want NO REDUCTION (Maximum coverage)
I understand that after I reach age 65 there will be no premium deductions from my annuity or compensation for this minimum coverage. I understand that after I reach age 65 (or upon retirement, if I'm older than 65) the amount of my Basic Life Insurance will reduce at the rate of 2% per month until it reaches 25% of my Basic Insurance Amount at retirement. I understand that neither I nor the assignee(s), if applicable, can change my election to the 50% or No Reduction at a later date.	I authorize deductions to be made from my annuity or compensation to pay the full cost of this additional protection. I understand that after I reach age 65 (or upon retirement, if I'm older than 65) the amount of my Basic Life Insurance coverage will reduce at the rate of 1% per month until it reaches 50% of my Basic Insurance Amount at retirement. I understand that the only change I (or the assignee(s), if applicable) may make at a later date is to the 75% Reduction.	I authorize deductions to be made from my annuity or compensation to pay the full cost of this additional protection. I understand that there will be no reduction in the amount of my Basic Life Insurance coverage after I reach age 65 (or upon retirement, if I'm older than 65). I understand that the only change I (or the assignee(s), if applicable) may make at a later date is to the 75% Reduction (unless I elected a partial Living Benefit. Then I understand that I can never change this election.)
Signature (Do not print)	Signature (Do not print)	Signature (Do not print)
Date (Month/day/year)	Date (Month/day/year)	Date (Month/day/year)

C Optional Life Insurance Coverage (Read and sign below)

I understand that if I continue my Basic Life Insurance coverage as a retiree or compensationeer, or if I elected a full Living Benefit while an employee, my present optional life insurance elections **(if any)** will be **automatically extended UNLESS** (1) I (or the assignee(s), if applicable) complete an SF 2817, declining those options, (2) I fail to meet the continuation requirements for optional life insurance, or (3) I (or the assignee(s), if applicable) convert my optional coverage(s) to

an individual policy. I understand that my signature in Part B, above, **does not** cancel my optional life insurance coverage. I understand I will pay the full cost of optional insurance (through deductions in my annuity or compensation) until age 65. After age 65, I understand that no further withholdings will be required; however, I realize that my optional coverage will be reduced over time. I have read page 3 for a more detailed discussion.

Signature (Do not print)	Date (Month/day/year)
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